

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

LAUREL PARK COMMUNITY, LLC, a Washington  
limited liability company; TUMWATER ESTATES  
INVESTORS, a California limited partnership;  
VELKOMMEN MOBILE PARK, LLC, a Washington  
limited liability company; and MANUFACTURED  
HOUSING COMMUNITIES OF WASHINGTON, a  
Washington non-profit corporation,

Plaintiffs,

v.

CITY OF TUMWATER, a municipal corporation,

Defendant.

No. C09-05312BHS

DECLARATION OF  
JAMES ANDERSEN IN  
SUPPORT OF PARTIAL  
SUMMARY JUDGMENT

JAMES ANDERSEN declares and states as follows:

1. I am over the age of eighteen, competent to testify, and familiar with the facts  
herein.

2. I am a partner in Velkommen Mobile Park, LLC, which owns Velkommen Park, a  
manufactured housing community located in Tumwater, Washington. My family has owned and  
managed Velkommen Park since we developed it in 1975.

3. My family developed Velkommen Park long before Tumwater's manufactured  
home park ordinances took effect. We bought the property in reliance on the zoning permitted at  
the time. The property was then zoned *multi-family* medium density residential. Until

Declaration of James Andersen - 1

Talmadge/Fitzpatrick  
18010 Southcenter Parkway  
Tukwila, Washington 98188-4630

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1 Tumwater's ordinances went into effect, under the zoning then in effect, we were permitted to  
2 use our property for a variety of uses, including single and multi-family dwellings, manufactured  
3 home parks, residential planned unit developments, and any combination of permitted uses. We  
4 anticipated using the property as a mobile home park so long as that use was economically  
5 viable. We expected to be able to turn to other economically productive uses at our discretion or  
6 to sell it if it became economically unviable.

7         3. Under Tumwater's existing zoning, we can now only use our property for  
8 manufactured home parks, parks, trails, open space areas, support facilities, and child care  
9 facilities. We are also permitted to construct one single-family detached residence per existing  
10 single lot of record. Our property is situated on approximately 11.13 acres of land within  
11 Tumwater and contains 39 mobile home pads. But we would be allowed to construct only one  
12 single-family detached residence on the property if we removed the existing manufactured  
13 homes. The additional uses to which we are permitted to put our property under the existing  
14 zoning are not economically viable uses of the property because some, like parks and trails, earn  
15 no income at all. Others, like support and child care facilities, require an investment with little  
16 probability of return and licensure to be possible. A limited number of other primarily public or  
17 institutional uses, such as churches, cemeteries, and essential public facilities are also possible  
18 under the current zoning. But a church or a cemetery is hardly a viable economic use; the  
19 possibility of any return on such use is illusory. This is all the more obvious when the value of  
20 our property and its income-generating ability as a church or a cemetery is compared to its value  
21 and income-generating ability when used for multi-family housing. None of the conditional uses  
22 permitted under Tumwater's existing zoning are *viable* economic uses of our property, especially  
23 when considering that many of those uses would require additional discretionary permitting by  
24 Declaration of James Andersen - 2  
25  
26

000200

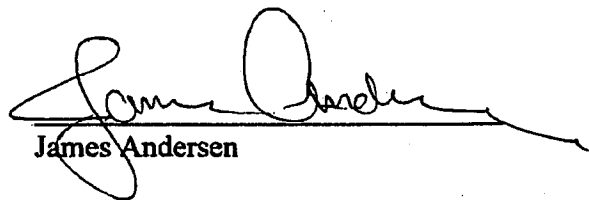
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18010 Southcenter Parkway  
Tukwila, Washington 98188-4630

1 Tumwater. Acquiring the necessary permits from Tumwater for such uses seems unlikely. By  
2 mandating that Velkommen Park remain a mobile home park, Tumwater has deprived us of  
3 viable use of our property and damaged its fair market value.

4 4. During the spring of 2008, we listed Velkommen Park for sale with NW Park  
5 Brokerage, Inc. in Seattle. We received an offer to purchase the park for \$1.75 million in  
6 May 2008; the sale was to close on July 31, 2008. A true and correct copy of that offer is  
7 attached to my declaration as exhibit A. In September 2008, we received a second offer to  
8 purchase the park for \$1.6 million; the sale was to close on November 28, 2008. A true and  
9 accurate copy of that offer is attached to my declaration as exhibit B. Neither sale closed.  
10

11 5. After Tumwater publicly announced that it intended to rezone Velkommen Park  
12 from its then-existing medium-density residential zoning to an exclusive mobile home park zone  
13 district, the prospective purchasers advised us that they did not wish to close their respective  
14 offers. To date, we have not received any additional purchase offers for the park.

15 I declare under penalty of perjury under the laws of the State of Washington that the  
16 foregoing is true and correct. Executed at Olympia Washington this 26 day of  
17 January, 2010.

18  
19   
20 James Andersen  
21  
22  
23  
24  
25  
26

# EXHIBIT A

000202

**NORTHWEST PARK BROKERAGE**

**Real Estate Purchase Agreement  
With Earnest Money Provision**

**THIS IS A LEGALLY BINDING CONTRACT. READ ALL PAGES CAREFULLY BEFORE  
SIGNING.**

The undersigned Purchaser, Fenton Properties LLC and or assigns agree to buy and the Seller, Mrs. Phyllis Anderson (Velkommen Mobile Park LLC) agrees to sell, the Real Property located at 2535 70<sup>th</sup> AVE SW, Tumwater, Washington, commonly known as Velkommen Home Park (39 spaces).

Legal Description: To be inserted by written approval of Feasibility study.

1) Northwest Park Brokerage, as Agent for Seller, acknowledges receipt of an Earnest Money Payment of One Hundred Thousand and no/100 Dollars (\$75,000.00) in the form of a promissory note. Within five business days Agent shall open escrow and deposit this Earnest Money (or after promissory note has been cashed, as per Paragraph 8 below) with Transaction Title and Escrow Company along with a copy of this Purchase and Sale Agreement. The Escrow Account shall be interest bearing with interest accruing to the Purchaser. The Escrow Company is hereby directed to prepare escrow instructions and to close escrow according to the terms and conditions of this Purchase Agreement. The Close of Escrow (or "Closing Date") shall occur on or before July 31, 2008. Escrow fees shall be paid 50% by Purchaser and 50% by Seller, Seller to pay excise tax. All other closing costs to be paid in accordance with the customs of the county in which the Property is located. Chicago title and Escrow shall be the closing agent.

2) **PURCHASE PRICE:** The Purchase Price for the Property shall be One Million Seven Hundred Twenty Five Thousand /100 Dollars (\$1,750,000.00), allocated as follows:

3) **DOWN PAYMENT:** The down payment for the Property shall be \$425,000.00 including Earnest Money.

4) **FINANCING:** The balance of the Purchase Price, minus the down payment, shall be contingent upon obtaining additional financing in the form of:

Seller will provide financing for the balance in the amount of One Million Three Hundred Thousand and no/100 Dollars (\$1,300,000.00) at an interest rate of Six per cent (6%) with a 30 year amortization and a 15 year call, interest only or principal and interest payment at Buyer's option. Payments shall be due on the 5th day of each month, with a 10 day grace period. If payment is not received within 10 days of the due date a penalty of 5% of the normal payment shall be levied. Said Note and Deed of Trust will be on standard title company forms, and be in first lien position on all of the property. Said note will be assumable with Seller's approval, not to be unreasonable withheld. The note has no payment penalty and may be cashed out at anytime without the Seller's approval. Buyer to provide proof of insurance and current tax payments annually to the Seller. Seller shall be named at all times as an additional insured and as loss payee on all insurance policies.

Seller(s) Initials: \_\_\_\_\_ Date: \_\_\_\_\_

rd

360-276-3785

1

Buyer(s) Initials: 242 Date: 5/12/08

Brooks Fenton

May 12 08 10:04

000203

**7C) OTHER INSPECTIONS:** Both parties to be in agreement to a written water/well arrangement that provides potable water source to the park at a cost of \$15 per unit per month (paid by Buyer to Seller monthly). Service cost to provide adequate quality water and maintain water lines to each park home site and existing water lines within park.

**8) DEPOSIT INCREASE/CASH PROMISSORY NOTE:** Upon removal of contingencies 7A&B, Purchaser shall convert the promissory note to cash and deposit into escrow within (3) business days. If Purchaser requires interest bearing account, then Purchaser hereby submits his/her Social Security number: \_\_\_\_\_

**9) WARRANTIES:** Seller warrants to the best of Seller's knowledge that there are no known material defects of the property, that the Property is in conformance with local laws and codes, that the property is composed of 39 total legal units, that the Property is not in a flood zone, that there are no hazardous materials on the properties, that all properties are serviced by private utilities, that the electrical system provides 200 amp service for each mobile home space. The sewer and water system are in good working order. Sewer system will be pumped cleaned within 15 days of closing. Any exceptions so noted here:

**10) RISK OF LOSS:** If, prior to closing, the property is destroyed or materially damaged by fire or other casualty, this Purchase Agreement shall be voidable at Purchaser's option.

**11) LIQUIDATED DAMAGES:** Because it would be extremely difficult to affix actual damages in the event of a default by the Purchaser, both Purchaser and Seller agree that the Purchaser's Earnest money (not to exceed 3% of the Purchase Price) shall be deemed as damages for the Seller if the Purchaser defaults with no legal excuse, that Purchaser shall forfeit said earnest money to Seller and that said forfeiture shall be the sole remedy for the Seller.

**12) ARBITRATION:** In the event that this contract comes under dispute, Purchaser, Seller and Agent agree to resolve said controversy by final binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

**13) ATTORNEY'S FEES:** In any litigation, arbitration or other legal proceeding which may arise between the Purchaser, Seller or Agent, the prevailing party shall be entitled to recover its costs of arbitration and/or reasonable legal fees in addition to any other relief it may be entitled to.

**14) SELLER EXCHANGE:** Purchaser agrees to cooperate with Seller if Seller elects to complete a tax-deferred exchange under IRC Section 1031. Purchaser shall not assume, and Seller shall agree to hold harmless the Purchaser, from any liability or additional cost in said exchange. This Purchase Agreement is not contingent upon Seller finding an exchange property.

**15) PURCHASER'S EXCHANGE:** : If Purchaser is buying the Subject Property as part of a IRC Section 1031 exchange, Seller agrees to cooperate in effecting said exchange. Purchaser agrees to hold harmless the Seller from any liability or any expense associated with said exchange. This Purchase Agreement is not contingent upon the sale of the Purchaser's property.

**16) AGENCY:** William Jackson, Broker, Northwest Park Brokerage Inc. is representing the Buyer and Seller; both parties acknowledges receipt of the agency law booklet.

Seller(s) Initials \_\_\_\_\_ Date: \_\_\_\_\_

3

Buyer(s) Initials \_\_\_\_\_ Date: \_\_\_\_\_

and

CR/SC/7-00C

Brooke Horton May 12 08 10:06a

000204

**17) OTHER BROKERS:** In the event another broker is involved in the sale of the Subject Property, Agent shall have no liability for errors or omissions committed by said broker.

**18) BROKER DISCLAIMER:** Broker makes no warranties or representations regarding the accuracy of information provided by Broker to other parties. Broker is not qualified to give legal advice and suggests that each party consult with their own attorney, accountant, or other adviser for further advice. Purchaser is a licensed Real Estate broker in the state of Washington representing himself and not the Seller.

**19) TIME:** Time is of the essence of this Agreement.

**20) NOTICES:** All notices shall be given in writing to both the Agent and to the other party as listed by party's name below.

**21) ADDENDA:** Any addendum attached hereto and initialed by both parties shall be deemed as being incorporated herein by reference. There are no other oral or written understandings or warranties except as set forth herein.

**22) GOVERNING LAW:** This Agreement shall be governed in accordance with the laws of the State of Washington.

**23) OTHER TERMS AND CONDITIONS:**

**24) ACCEPTANCE AND EFFECTIVE DATE:** Unless Seller accepts this offer in writing and delivers to Purchaser or Purchaser's Agent, by May 15, 2008 (5pm), then this Agreement shall be null and void, the Earnest Money shall be returned to the Purchaser, and neither side shall have any further obligation to the other. The "Effective Date" of this contract shall be the latter of a) the date on which the Seller signs this agreement or b) the date any final counter offer is signed by both Purchaser and Seller. The undersigned Purchaser offers and agrees to purchase the Subject Property under terms and conditions herein stated. This offer is made on the 12th day of May, 2008. The Purchaser acknowledges a receipt of an executed copy of this agreement. Any counter will be valid for 48 hours from date of change; otherwise agreement will be null and void.

Seller(s) Initials: \_\_\_\_\_ Date: \_\_\_\_\_

JP

REC-7/9-9/08

4

Buyer(s) Initials: BAJ Date: 5/12/08

Brooks Fenton

May 12 08 10:06a

000205

Fenton Properties LLC and/or Assigns  
Brooks R. Fenton, Managing Member

Fentonbr@mm.com

PURCHASER:

Buyer name

ADDRESS: 22022

Des Moines WA. 98198

DATE:

5/12/08

TELEPHONE:

206.947.1846

PURCHASER:

Buyer name

ADDRESS:

DATE:

TELEPHONE:

### SELLER'S ACCEPTANCE

Seller acknowledges receipt of a Purchaser-signed copy of this Agreement. Seller agrees to pay a commission of Three percent (3%) of the sales price per listing agreement. Payable to NW Park Brokerage Inc. at the time of closing.

SELLER:

Seller name

ADDRESS:

DATE:

TELEPHONE:

SELLER:

Seller name

ADDRESS:

DATE:

TELEPHONE:

Seller(s) Initials:

Date:

P.5

380-270-9785

5

Buyer(s) Initials:

Date:

Brooks Fenton

May 12 08 10:05a

000206



DEC-22-2004 01:23P FROM:

TO:12538138133

P.6/6

**AGENT: NORTHWEST PARK BROKERAGE**2375 130<sup>th</sup> AV NE Suite 102

Bellevue, WA 98005

888-205-8281

Email billj@nwparka.com

By: Date: 5.12.08

Buyer(s) Initials: \_\_\_\_\_

Date: \_\_\_\_\_

a.d

000-017-000

6

Buyer(s) Initials: forDate: 5/12/08

Brooke Tanton

May 12 08 10:06a

000207

# EXHIBIT B

000208

NWMLS Form 24  
CBA Form PS-1A  
Purchase & Sale Agreement  
Rev. 7/07  
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# COMMERCIAL AND INVESTMENT REAL ESTATE PURCHASE AND SALE AGREEMENT

*This has been prepared for submission to your attorney for review and approval prior to signing.  
No representation is made by licensee as to its sufficiency or tax consequences.*

Reference Date: September 12, 2008

1  
2 Washington Street Properties, LLC and or assigns ("Buyer") agrees to buy and  
3 Phyllis Anderson ("Seller") agrees to sell, on the  
4 following terms, the commercial real estate and all improvements thereon (collectively, the "Property") commonly  
5 known as 2535 70th Ave SW,  
6 City of Tumwater, Thurston County, Washington, legally  
7 described on attached Exhibit A. The Reference Date above is intended to be used to reference this Agreement, and  
8 is not the date of "Mutual Acceptance." Mutual Acceptance is defined in Section 23 below.

9 1. **PURCHASE PRICE.** The total purchase price is One Million Six Hundred Thousand  
10 Dollars (\$1,600,000.00) payable as follows (check only one):

11 ☐ All cash at closing with no financing contingency.

12 ☐ All cash at closing contingent on new financing in accordance with the Financing Addendum (attach CBA  
13 Form PS\_FIN).

14 ☒ 160,000.00 / \_\_\_\_\_ % of the purchase price in cash at closing with the balance of the purchase price  
15 paid as follows (check one or both, as applicable): ☐ Buyer's assumption of the outstanding principal balance  
16 as of the Closing Date of a first lien note and deed of trust (or mortgage), or real estate contract, in accordance  
17 with the Financing Addendum (attach CBA Form PS\_FIN); ☒ Buyer's delivery at closing of a promissory note for  
18 the balance of the purchase price, secured by a deed of trust encumbering the Property, in accordance with the  
19 Financing Addendum (attach CBA Form PS\_FIN).

20 ☒ Other: SEE ADDENDUM  
21

22 2. **EARNEST MONEY.** The earnest money in the amount of \$2,000.00 shall  
23 be in the form of ☐ Cash ☐ Personal check ☒ Promissory note (attach CBA Form EMN) ☐ Other: \_\_\_\_\_

24 The earnest money shall be held by ☐ Selling Licensee ☒ Closing Agent.

25 Buyer shall deliver the earnest money no later than:

26 ☒ 5 days after Mutual Acceptance.

27 ☐ On the last day of the Feasibility Period defined in Section 5 below.

28 ☐ Other: \_\_\_\_\_

29 Selling Licensee may, however, transfer the earnest money to Closing Agent.

30 If the earnest money is to be held by Selling Licensee and is over \$10,000, it shall be deposited to: ☐ Selling  
31 Licensee's pooled trust account (with interest paid to the State Treasurer) ☐ A separate interest bearing trust  
32 account in Selling Licensee's name. The interest, if any, shall be credited at closing to Buyer. If this sale fails to  
33 close, whoever is entitled to the earnest money is entitled to interest.

34 Selling Licensee shall deposit any check to be held by Selling Licensee within 3 days after receipt or Mutual  
35 Acceptance, whichever occurs later. Buyer agrees to pay financing and purchase costs incurred by Buyer.  
36 Unless otherwise provided in this Agreement, the earnest money shall be applicable to the purchase price.

37 3. **EXHIBITS AND ADDENDA.** The following Exhibits and Addenda are made a part of this Agreement:

38 ☒ Exhibit A - Legal Description

39 ☒ Earnest Money Promissory Note, CBA Form EMN

40 ☒ Promissory Note, LPB Form No. 28A/CBA Form N-1A

41 ☐ Short Form Deed of Trust, LPB Form No. 20

42 ☒ Deed of Trust Rider, CBA Form DTR

43 ☐ Utility Charges Addendum, CBA Form UA

Initials: BUYER: WSA DATE: 9/12/08

BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

000209

**COMMERCIAL AND INVESTMENT REAL ESTATE  
PURCHASE AND SALE AGREEMENT  
(CONTINUED)**

- 44 ☐ FIRPTA Certification, CBA Form 22E  
45 ☒ Assignment and Assumption, CBA Form PS-AS  
46 ☒ Addendum/Amendment, CBA Form PSA  
47 ☐ Back-Up Addendum, CBA Form BU-A  
48 ☐ Vacant Land Addendum, CBA Form VLA  
49 ☐ Financing Addendum, CBA Form PS\_FIN  
50 ☐ Tenant Estoppel Certificate, CBA Form PS\_TEC  
51 ☐ Defeasance Addendum, CBA Form PS\_D  
52 ☐ Other \_\_\_\_\_

53 **4. SELLER'S UNDERLYING FINANCING.** Unless Buyer is assuming Seller's underlying financing, Seller shall be  
54 responsible for confirming the existing underlying financing is not subject to any "lock out" or similar covenant  
55 which would prevent the lender's lien from being released at closing. In addition, Seller shall provide Buyer notice  
56 prior to the end of the Feasibility Period if Seller is required to substitute securities for the Property as collateral  
57 for the underlying financing (known as "defeasance"). If Seller provides this notice of defeasance to Buyer, then  
58 the parties shall close the transaction in accordance with the process described in CBA Form PS\_D or any  
59 different process identified in Seller's defeasance notice to Buyer.

60 **5. FEASIBILITY CONTINGENCY.** Buyer's obligations under this Agreement are conditioned upon Buyer's  
61 satisfaction in Buyer's sole discretion, concerning all aspects of the Property, including its physical condition; the  
62 presence of or absence of any hazardous substances; the contracts and leases affecting the property; the  
63 potential financial performance of the Property; the availability of government permits and approvals; and the  
64 feasibility of the Property for Buyer's intended purpose. This Agreement shall terminate and Buyer shall receive a  
65 refund of the earnest money unless Buyer gives written notice to Seller within \_\_\_\_\_ days (30 days if not filled in)  
66 of Mutual Acceptance stating that this condition is satisfied. If such notice is timely given, the feasibility  
67 contingency stated in this Section 5 shall be deemed to be satisfied. As used in this Agreement, the term  
68 "Feasibility Period" shall mean the period beginning upon Mutual Acceptance and ending upon the satisfaction or  
69 waiver of the feasibility contingency.

70 **a. Books, Records, Leases, Agreements.** Seller shall make available for inspection by Buyer and its agents  
71 within \_\_\_\_\_ days (2 days if not filled in) after Mutual Acceptance all documents in Seller's possession or control  
72 relating to the ownership, operation, renovation or development of the Property, excluding appraisals or other  
73 statements of value, and including: statements for real estate taxes, assessments, and utilities for the last three  
74 years and year to date; property management agreements and any other agreements with professionals or  
75 consultants; leases or other agreements relating to occupancy of all or a portion of the Property and a  
76 suite-by-suite schedule of tenants, rents, prepaid rents, deposits and fees; plans, specifications, permits,  
77 applications, drawings, surveys, and studies; and maintenance records, accounting records and audit reports for  
78 the last three years and year to date; and "Vendor Contracts" which shall include maintenance or service  
79 contracts, and installments purchase contracts or leases of personal property or fixtures used in connection with  
80 the Property. Buyer shall determine within the Feasibility Period: (i) whether Seller will agree to terminate any  
81 objectionable Vendor Contracts; and (ii) whether Seller will agree to pay any damages or penalties resulting from  
82 the termination of objectionable Vendor Contracts. Buyer's waiver of the Feasibility Contingency shall be deemed  
83 Buyer's acceptance of all Vendor Contracts which Seller has not agreed in writing to terminate. Buyer shall be  
84 solely responsible for obtaining any required consents to such assumption and the payment of any assumption  
85 fees. Seller shall cooperate with Buyer's efforts to receive any such consents but shall not be required to incur  
86 any out-of-pocket expenses or liability in doing so. Seller shall transfer the Vendor Contracts as provided in  
87 Section 17 of this Agreement. Any leases, contract or agreements that run with title to the Property are  
88 addressed in Section 6(b) below.

89 **b. Access.** Seller shall permit Buyer and its agents, at Buyer's sole expense and risk to enter the Property at  
90 reasonable times subject to the rights of and after legal notice to tenants, to conduct inspections concerning the  
91 Property and improvements, including without limitation, the structural condition of improvements, hazardous  
92 materials, pest infestation, soils conditions, sensitive areas, wetlands, or other matters affecting the feasibility of  
93 the Property for Buyer's intended use. Buyer shall schedule any entry onto the Property with Seller in advance

Initials: BUYER: WSB DATE: 9/2/08 SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

**COMMERCIAL AND INVESTMENT REAL ESTATE  
 PURCHASE AND SALE AGREEMENT  
 (CONTINUED)**

and shall comply with Seller's reasonable requirements including those relating to security, confidentiality, and disruption of Seller's tenants. Buyer shall not perform any invasive testing including environmental inspections beyond a phase I assessment or contact the tenants or property management personnel without obtaining the Seller's prior written consent, which shall not be unreasonably withheld. Buyer shall restore the Property and improvements to the same condition they were in prior to inspection. Buyer shall be solely responsible for all costs of its inspections and feasibility analysis and has no authority to bind the Property for purposes of statutory liens. Buyer agrees to indemnify and defend Seller from all liens, costs, claims, and expenses, including attorneys' and experts' fees, arising from or relating to entry onto or inspection of the Property by Buyer and its agents. This agreement to indemnify and defend Seller shall survive closing. Buyer may continue to enter the Property in accordance with the foregoing terms and conditions after removal or satisfaction of the feasibility contingency only for the purpose of leasing or to satisfy conditions of financing.

c. Buyer waives the right to receive a seller disclosure statement ("Form 17") if required by Chapter 64.06 RCW. However, if Seller would otherwise be required to provide Buyer with a Form 17, and if the answer to any of the questions in the section of the Form 17 entitled "Environmental" would be "yes," then buyer does not waive the receipt of the "Environmental" section of the Form 17 which shall be provided by Seller.

**6. TITLE INSURANCE.**

a. **Title Report.** Seller authorizes Buyer, its Lender, Listing Agent, Selling Licensee and Closing Agent, at Seller's expense, to apply for and deliver to Buyer a ☒ standard ☐ extended (standard, if not completed) coverage owner's policy of title insurance. If an extended coverage owner's policy is specified. Buyer shall pay the increased costs associated with that policy including the excess premium over that charged for a standard coverage policy, and the cost of any survey required by the title insurer. The title report shall be issued by Thurston County Title (Seller's choice, if not completed).

b. **Permitted Exceptions.** Buyer shall notify Seller of any objectionable matters in the title report or any supplemental report within the earlier of: (1) twenty (20) days after mutual acceptance of this Agreement; or (2) the expiration of the Feasibility Period. This Agreement shall terminate and Buyer shall receive a refund of the earnest money, less any costs advanced or committed for Buyer, unless within five (5) days of Buyer's notice of such objections (1) Seller agrees to remove all objectionable provisions or (2) Buyer notifies Seller that Buyer waives any objections which Seller does not agree to remove. If any new title matters are disclosed in a supplemental title report, then the preceding termination, objection and waiver provisions shall apply to the new title matters except that Buyer's notice of objections must be delivered within five (5) days of delivery of the supplemental report and Seller's response or Buyer's waiver must be delivered within two (2) days of Buyer's notice of objections. The closing date shall be extended to the extent necessary to permit time for these notices. Buyer shall not be required to object to any mortgage or deed of trust liens, or the statutory lien for real property taxes, and the same shall not be deemed to be Permitted Exceptions; provided that the lien securing any financing which Buyer has agreed to assume shall be a Permitted Exception. Except for the foregoing, those provisions not objected to or for which Buyer waived its objections shall be referred to collectively as the "Permitted Exceptions." Seller shall cooperate with Buyer and the title company to clear objectionable title matters but shall not be required to incur any out-of-pocket expenses or liability other than payment of monetary encumbrances not assumed by Buyer and proration of real property taxes, and Seller shall provide an owner's affidavit containing the information and reasonable covenants requested by the title company. The title policy shall contain no exceptions other than the General Exclusions and Exceptions common to such form of policy and the Permitted Exceptions.

**7. CLOSING OF SALE.** This sale shall be closed on 11/28/2008

("closing") by Thurston County Title ("Closing Agent") (Seller shall select the Closing Agent, if not completed). Buyer and Seller shall deposit with Closing Agent by Noon on the scheduled closing date all instruments and monies required to complete the purchase in accordance with this Agreement. "Closing" shall be deemed to have occurred when the deed is recorded and the sale proceeds are available to Seller. Time is of the essence in the performance of this Agreement. Sale proceeds shall be

Initials: BUYER: LSB DATE: 9/12/08 SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_  
 BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

000211



MLS Form 24  
CBA Form PS-1A  
Purchase & Sale Agreement  
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**COMMERCIAL AND INVESTMENT REAL ESTATE  
PURCHASE AND SALE AGREEMENT  
(CONTINUED)**

considered available to Seller notwithstanding they may not be disbursed to Seller until the first business day following closing. Notwithstanding the foregoing, if Seller informed Buyer during the Feasibility Period that Seller's underlying financing requires that it be defeased and may not be paid off, then closing shall be conducted in accordance with the three-day closing process described in CBA Form PS\_D. This Agreement is intended to constitute escrow instructions to Closing Agent. Buyer and Seller will provide any supplemental instructions requested by Closing Agent provided the same are consistent with this Agreement.

**8. CLOSING COSTS AND PRORATIONS.** Seller shall deliver an updated rent roll to Closing Agent not later than two (2) days before the scheduled closing date in the form required by Section 5(a) and any other information reasonably requested by Closing Agent to allow Closing Agent to prepare a settlement statement for closing. Seller certifies that the information contained in the rent roll is correct as of the date submitted. Seller shall pay the premium for the owner's standard coverage title policy. Buyer shall pay the excess premium attributable to any extended coverage or endorsements requested by Buyer, and the cost of any survey required in connection with the same. Seller and Buyer shall each pay one-half of the escrow fees. Real estate excise taxes shall be paid by the party who bears primary responsibility for payment under the applicable statute or code, which is typically Seller. Real and personal property taxes and assessments payable in the year of closing; collected rents on any existing tenancies; interest; utilities; and other operating expenses shall be pro-rated as of closing. If tenants pay any of the foregoing expenses directly, then Closing Agent shall only pro rate those expenses paid by Seller. Buyer shall pay to Seller at closing an additional sum equal to any utility deposits or mortgage reserves for assumed financing for which Buyer receives the benefit after closing. Buyer shall pay all costs of financing including the premium for the lender's title policy. The real estate commission is due on closing or upon Seller's default under this Agreement, whichever occurs first, and neither the amount nor due date thereof can be changed without Listing Agent's written consent. If the Property was taxed under a deferred classification prior to closing, then Seller shall pay all taxes, interest, penalties, deferred taxes or similar items which result from removal of the Property from the deferred classification. At closing, all refundable deposits on tenancies shall be credited to Buyer or delivered to Buyer for deposit in a trust account if required by state or local law. Buyer shall pay all sales or use tax applicable to the transfer of personal property included in the sale.

**a. Unpaid Utility Charges.** Buyer and Seller ☐ WAIVE ☒ DO NOT WAIVE the right to have the Closing Agent disburse closing funds necessary to satisfy unpaid utility charges affecting the Property pursuant to RCW 60.80. If "do not waive" is checked, then attach CBA Form UA ("Utility Charges" Addendum). If neither box is checked, then the "do not waive" option applies.

**9. POST-CLOSING ADJUSTMENTS, COLLECTIONS, AND PAYMENTS.** After closing, Buyer and Seller shall reconcile the actual amount of revenues or liabilities upon receipt or payment thereof to the extent those items were prorated or credited at closing based upon estimates. Any bills or invoices received by Buyer after closing which relate to services rendered or goods delivered to the Seller or the Property prior to closing shall be paid by Seller upon presentation of such bill or invoice. At Buyer's option, Buyer may pay such bill or invoice and be reimbursed the amount paid plus interest at the rate of 12% per annum beginning fifteen (15) days from the date of Buyer's written demand to Seller for reimbursement until such reimbursement is made. Notwithstanding the foregoing, if tenants pay certain expenses based on estimates subject to a post-closing reconciliation to the actual amount of those expenses, then Buyer shall be entitled to any surplus and shall be liable for any credit resulting from the reconciliation. Rents collected from each tenant after closing shall be applied first to rentals due most recently from such tenant for the period after closing, and the balance shall be applied for the benefit of Seller for delinquent rentals owed for a period prior to closing. The amounts applied for the benefit of Seller shall be turned over by Buyer to Seller promptly after receipt. Seller shall be entitled to pursue any lawful methods of collection of delinquent rents but shall have no right to evict tenants after closing.

**10. OPERATIONS PRIOR TO CLOSING.** Prior to closing, Seller shall continue to operate the Property in the ordinary course of its business and maintain the Property in the same or better condition than as existing on the date of Mutual Acceptance, but shall not be required to repair material damage from casualty except as otherwise provided in this Agreement. After the Feasibility Period, Seller shall not enter into or modify existing rental agreements or leases (except that Seller may enter into, modify, extend, renew or terminate residential rental

Initials: BUYER: WSP DATE: 9/12/08

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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191 agreements or residential leases in the ordinary course of its business), service contracts, or other agreements  
192 affecting the Property which have terms extending beyond closing without first obtaining Buyer's consent, which  
193 shall not be unreasonably withheld.

194 **11. POSSESSION.** Buyer shall be entitled to possession ☒ on closing ☐  
195 \_\_\_\_\_ (on closing, if not completed. Buyer shall accept possession subject to all  
196 tenancies disclosed to Buyer during the Feasibility Period.

197 **12. SELLER'S REPRESENTATIONS.** Except as disclosed to or known by Buyer prior to the satisfaction or waiver  
198 of the feasibility contingency stated in Section 5 above, including in the books, records and documents made  
199 available to Buyer, or in the title report or any supplemental report or documents referenced therein, Seller  
200 represents to Buyer that, to the best of Seller's actual knowledge, each of the following is true as of the date  
201 hereof: (a) Seller is authorized to enter into the Agreement, to sell the Property, and to perform its obligations  
202 under the Agreement; (b) The books, records, leases, agreements and other items delivered to Buyer pursuant  
203 to this Agreement comprise all material documents in Seller's possession or control regarding the operation and  
204 condition of the Property; (c) Seller has not received any written notices that the Property or the business  
205 conducted thereon violate any applicable laws, regulations, codes and ordinances; (d) Seller has all certificates  
206 of occupancy, permits, and other governmental consents necessary to own and operate the Property for its  
207 current use; (e) There is no pending or threatened litigation which would adversely affect the Property or Buyer's  
208 ownership thereof after closing; (f) There is no pending or threatened condemnation or similar proceedings  
209 affecting the Property, and the Property is not within the boundaries of any planned or authorized local  
210 improvement district; (g) Seller has paid (except to the extent prorated at closing) all local, state and federal taxes  
211 (other than real and personal property taxes and assessments described in Section 8 above) attributable to the  
212 period prior to closing which, if not paid, could constitute a lien on Property (including any personal property), or  
213 for which Buyer may be held liable after closing; (h) Seller is not aware of any concealed material defects in the  
214 Property except as disclosed to Buyer in writing during the Feasibility Period; (i) There are no Hazardous  
215 Substances (as defined below) currently located in, on, or under the Property in a manner or quantity that  
216 presently violates any Environmental Law (as defined below); there are no underground storage tanks located on  
217 the Property; and there is no pending or threatened investigation or remedial action by any governmental agency  
218 regarding the release of Hazardous Substances or the violation of Environmental Law at the Property. As used  
219 herein, the term "Hazardous Substances" shall mean any substance or material now or hereafter defined or  
220 regulated as a hazardous substance, hazardous waste, toxic substance, pollutant, or contaminant under any  
221 federal, state, or local law, regulation, or ordinance governing any substance that could cause actual or  
222 suspected harm to human health or the environment ("Environmental Law"). The term "Hazardous Substances"  
223 specifically includes, but is not limited to, petroleum, petroleum by-products, and asbestos.

224 If prior to closing Seller or Buyer discovers any information which would cause any of the representations above  
225 to be false if the same were deemed made as of the date of such discovery, then the party discovering the same  
226 shall promptly notify the other party in writing. If the newly-discovered information will result in costs or liability to  
227 Buyer in excess of the lesser of \$100,000 or five percent (5%) of the purchase price, or will materially adversely  
228 affect Buyer's intended use of the Property, then Buyer shall have the right to terminate the Agreement and  
229 receive a refund of its earnest money provided Buyer elects to do so within five (5) days of discovering or  
230 receiving written notice of the new information. Nothing in this paragraph shall prevent Buyer from pursuing its  
231 remedies against Seller if Seller had actual knowledge of the newly-discovered information such that a  
232 representation provided for above was false.

233 **13. AS-IS.** Except for those representations and warranties specifically included in this Agreement: (i) Seller makes  
no representations or warranties regarding the Property; (ii) Seller hereby disclaims, and Buyer hereby waives,  
any and all representations or warranties of any kind, express or implied, concerning the Property or any portion  
thereof, as to its condition, value, compliance with laws, status of permits or approvals, existence or absence of  
hazardous material on site, occupancy rate or any other matter of similar or dissimilar nature relating in any way  
to the Property, including the warranties of fitness of a particular purpose, tenantability, habitability and use; (iii)

Initials: BUYER: USA DATE: 2/10/10

BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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239 Buyer otherwise takes the Property "AS IS;" and (iv) Buyer represents and warrants to Seller that Buyer has  
240 sufficient experience and expertise such that it is reasonable for Buyer to rely on its own pre-closing inspections  
241 and investigations.

242 **14. PERSONAL PROPERTY.**

243 a. This sale includes all right, title and interest of Seller to the following tangible personal property: ☐ None  
244 ☒ That portion of the personal property located on and used in connection with the Property, which Seller will  
245 itemize in an Addendum to be attached to this Agreement within ten (10) days of Mutual Acceptance (None, if not  
246 completed). The value assigned to the personal property shall be \$ \_\_\_\_\_ (if  
247 not completed, the County-assessed value if available, and if not available, the fair market value determined by  
248 an appraiser selected by the Listing Agent and Selling Licensee). Seller warrants title to, but not the condition of,  
249 the personal property and shall convey it by bill of sale.

250 b. In addition to the leases and Vendor Contracts assumed by Buyer pursuant to Section 5(a) above, this sale  
251 includes all right, title and interest of Seller to the following intangible property now or hereafter existing with  
252 respect to the Property including without limitation: all rights-of-way, rights of ingress or egress or other interests  
253 in, on, or to, any land, highway, street, road, or avenue, open or proposed, in, on, or across, in front of, abutting  
254 or adjoining the Property; all rights to utilities serving the Property; all drawings, plans, specifications and other  
255 architectural or engineering work product; all governmental permits, certificates, licenses, authorizations and  
256 approvals; all rights, claims, causes of action, and warranties under contracts with contractors, engineers,  
257 architects, consultants or other parties associated with the Property; all utility, security and other deposits and  
258 reserve accounts made as security for the fulfillment of any of Seller's obligations; any name of or telephone  
259 numbers for the Property and related trademarks, service marks or trade dress; and guaranties, warranties or  
260 other assurances of performance received.

261 **15. CONDEMNATION AND CASUALTY.** Seller bears all risk of loss until closing, and thereafter Buyer shall bear the  
262 risk of loss. Buyer may terminate this Agreement and obtain a refund of the earnest money if improvements on  
263 the Property are destroyed or materially damaged by casualty before closing, or if condemnation proceedings  
264 are commenced against all or a portion of the Property before closing. Damage will be considered material if the  
265 cost of repair exceeds the lesser of \$100,000 or five percent (5%) of the purchase price stated in this  
266 Agreement. Alternatively, Buyer may elect to proceed with closing in which case at closing Seller shall assign to  
267 Buyer all claims and right to proceeds under any property insurance policy and shall credit to Buyer at closing  
268 the amount of any deductible provided for in the policy.

269 **16. FIRPTA - TAX WITHHOLDING AT CLOSING.** Closing Agent is instructed to prepare a certification (CBA or  
270 NWMLS Form 22E, or equivalent) that Seller is not a "foreign person" within the meaning of the Foreign  
271 Investment in Real Property Tax Act. Seller agrees to sign this certification. If Seller is a foreign person, and this  
272 transaction is not otherwise exempt from FIRPTA, Closing Agent is instructed to withhold and pay the required  
273 amount to the Internal Revenue Service.

274 **17. CONVEYANCE.** Title shall be conveyed by a Statutory Warranty Deed subject only to the Permitted Exceptions.  
275 If this Agreement is for conveyance of Seller's vendee's interest in a Real Estate Contract, the Statutory  
276 Warranty Deed shall include a contract vendee's assignment sufficient to convey after acquired title. At closing,  
277 Seller and Buyer shall execute and deliver to Closing Agent CBA Form No. PS-AS Assignment and Assumption  
278 Agreement transferring all leases and Vendor Contracts assumed by Buyer pursuant to Section 5(a) and all  
279 intangible property transferred pursuant to Section 14(b).

180 **18. NOTICES AND COMPUTATION OF TIME.** Unless otherwise specified, any notice required or permitted in, or  
181 related to, this Agreement (including revocations of offers and counteroffers) must be in writing. Notices to Seller  
182 must be signed by at least one Buyer and must be delivered to Seller and Listing Agent with a courtesy copy to  
183 any other party identified as a recipient of notices in Section 28 of this Agreement. A notice to Seller shall be  
184 deemed delivered only when received by Seller, Listing Agent, or the licensed office of Listing Agent. Notices to  
185 Buyer must be signed by at least one Seller and must be delivered to Buyer with a copy to Selling Licensee with

Initials: BUYER: WSS DATE: 9/12/08

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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a courtesy copy to any other party identified as a recipient of notices in Section 28 of this Agreement. A notice to Buyer shall be deemed delivered only when received by Buyer, Selling Licensee, or the licensed office of Selling Licensee. Selling Licensee and Listing Agent have no responsibility to advise of receipt of a notice beyond either phoning the represented party or causing a copy of the notice to be delivered to the party's address provided in this Agreement. Buyer and Seller must keep Selling Licensee and Listing Agent advised of their whereabouts to receive prompt notification of receipt of a notice. If any party is not represented by a licensee, then notices must be delivered to and shall be effective when received by that party.

Unless otherwise specified in this Agreement, any period of time in this Agreement shall mean Pacific Time and shall begin the day after the event starting the period and shall expire at 5:00 p.m. of the last calendar day of the specified period of time, unless the last day is a Saturday, Sunday or legal holiday as defined in RCW 1.16.050, in which case the specified period of time shall expire on the next day that is not a Saturday, Sunday or legal holiday. Any specified period of five (5) days or less shall not include Saturdays, Sundays or legal holidays. Notwithstanding the foregoing, references to specific dates or times or number of hours shall mean those dates, times or number of hours.

**19. AGENCY DISCLOSURE.** At the signing of this Agreement,

Selling Licensee \_\_\_\_\_

represented \_\_\_\_\_

and the Listing Agent NA

represented \_\_\_\_\_

Buyer \_\_\_\_\_

If Selling Licensee and Listing Agent are different salespersons affiliated with the same Broker, then Seller and Buyer confirm their consent to Broker acting as a dual agent. If Selling Licensee and Listing Agent are the same person representing both parties, then Seller and Buyer confirm their consent to that person and his/her Broker acting as dual agents. If Selling Licensee, Listing Agent, or their Broker are dual agents, then Seller and Buyer consent to Selling Licensee, Listing Agent and their Broker being compensated based on a percentage of the purchase price or as otherwise disclosed on an attached addendum. Buyer and Seller confirm prior receipt of the pamphlet entitled "The Law of Real Estate Agency."

**20. ASSIGNMENT.** Buyer ☒ may ☐ may not (may not, if not completed) assign this Agreement, or Buyer's rights hereunder, without Seller's prior written consent, unless provided otherwise herein. If the "may not" option is selected and the words "and/or assigns" or similar words are used to identify the Buyer, then this Agreement may be assigned with notice to Seller but without Seller's consent only to an entity which is controlled by or under common control with the Buyer identified in this Agreement. Any other assignment requires Seller's consent. The party identified as the initial Buyer shall remain responsible for those obligations of Buyer stated in this Agreement notwithstanding any assignment and, if this Agreement provides for Seller to finance a portion of the purchase price, then the party identified as the initial Buyer shall guarantee payment of the Seller financing.

**21. DEFAULT AND ATTORNEY'S FEE.**

**a. Buyer's default.** In the event Buyer fails, without legal excuse, to complete the purchase of the Property, then (check one):

☒ Seller may terminate this Agreement and keep the earnest money as liquidated damages as the sole and exclusive remedy available to Seller for such failure; or

☐ Seller may, at its option, (a) terminate this Agreement and keep as liquidated damages the earnest money as the sole and exclusive remedy available to Seller for such failure, (b) bring suit against Buyer for Seller's actual damages, (c) bring suit to specifically enforce this Agreement and recover any incidental damages, or (d) pursue any other rights or remedies available at law or equity.

Initials: BUYER: WSD DATE: 2/12/10

BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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**b. Seller's default.** In the event Seller fails, without legal excuse, to complete the sale of the Property, then  
(check one):

☐ As Buyer's sole remedy, Buyer may either (a) terminate this Agreement and recover all earnest money or fees made by Buyer whether or not the same are identified as refundable or applicable to the purchase price; or (b) bring suit to specifically enforce this Agreement and recover incidental damages provided Buyer must file suit within sixty (60) days of the scheduled date of closing or any earlier date Seller has informed Buyer in writing that Seller will not proceed with closing; or

☒ Buyer may, at its option, (a) bring suit against Seller for Buyer's actual damages, (b) bring suit to specifically enforce this Agreement and recover any incidental damages, or (c) pursue any other rights or remedies available at law or equity.

Neither Buyer nor Seller may recover consequential damages such as lost profits. If Buyer or Seller institutes suit against the other concerning this Agreement, the prevailing party is entitled to reasonable attorneys' fees and expenses. In the event of trial, the amount of the attorney's fee shall be fixed by the court. The venue of any suit shall be the county in which the Property is located, and this Agreement shall be governed by the laws of the state where the Property is located.

**22. MISCELLANEOUS PROVISIONS.**

**a. Complete Agreement.** The Agreement and any addenda and exhibits to it state the entire understanding of Buyer and Seller regarding the sale of the Property. There are no verbal or other written agreements which modify or affect the Agreement.

**b. Counterpart Signatures.** The Agreement may be signed in counterpart, each signed counterpart shall be deemed an original, and all counterparts together shall constitute one and the same agreement.

**c. Electronic Delivery.** Electronic delivery of documents (e.g., transmission by facsimile or email) including signed offers or counteroffers and notices shall be legally sufficient to bind the party the same as delivery of an original. At the request of either party, or the Closing Agent, the parties will replace electronically delivered offers or counteroffers with original documents.

**d. Section 1031 Like-Kind Exchange.** If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like-kind exchange, then the other party agrees to cooperate in the completion of the like-kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to closing. Notwithstanding Section 20 above, any party completing a Section 1031 like-kind exchange may assign this Agreement to its qualified intermediary or any entity set up for the purposes of completing a reverse exchange.

**23. ACCEPTANCE; COUNTEROFFERS.** Seller has until midnight of \_\_\_\_\_ (if not filled in, the third business day following the last Buyer signature date below) to accept this offer, unless sooner withdrawn. If this offer is not timely accepted, it shall lapse and the earnest money shall be refunded to Buyer. If either party makes a future counteroffer, the other party shall have until 5:00 p.m. on the \_\_\_\_\_ business day (if not filled in, the second business day) following its receipt to accept the counteroffer, unless sooner withdrawn. If the counteroffer is not timely accepted or countered, this Agreement shall lapse and the earnest money shall be refunded to the Buyer. No acceptance, offer or counteroffer from the Buyer is effective until a signed copy is received by the Seller, the Listing Agent or the licensed office of the Listing Agent. No acceptance, offer or counteroffer from the Seller is effective until a signed copy is received by the Buyer, the Selling Licensee or the licensed office of the Selling Licensee. "Mutual Acceptance" shall occur when the last counteroffer is signed by the offeree, and the fully-signed counteroffer has been received by the offeror, his or her licensee, or the licensed office of the licensee. If any party is not represented by a licensee, then notices must be delivered to and shall be effective when received by that party.

Initials: BUYER: ASB DATE: 9/12/05 SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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374 **24. INFORMATION TRANSFER.** In the event this Agreement is terminated, Buyer agrees to deliver to Seller within  
375 ten (10) days of Seller's written request copies of all materials received from Seller and any non-privileged plans,  
376 studies, reports, inspections, appraisals, surveys, drawings, permits, application or other development work  
377 product relating to the Property in Buyer's possession or control as of the date this Agreement is terminated.

378 **25. CONFIDENTIALITY.** Until and unless closing has been consummated, Buyer and Seller shall follow reasonable  
379 measures to prevent unnecessary disclosure of information obtained in connection with the negotiation and  
380 performance of this Agreement. Neither party shall use or knowingly permit the use of any such information in  
381 any manner detrimental to the other party.

382 **26. SELLER'S ACCEPTANCE AND BROKERAGE AGREEMENT.** Seller agrees to sell the Property on the terms  
383 and conditions herein, and further agrees to pay a commission in a total amount computed in accordance with  
384 the listing or commission agreement. If there is no written listing or commission agreement, Seller agrees to pay  
385 a commission of 0 % of the sales price or \$ \_\_\_\_\_. The commission shall be apportioned between  
386 Listing Agent and Selling Licensee as specified in the listing or any co-brokerage agreement. If there is no listing  
387 or written co-brokerage agreement, then Listing Agent shall pay to Selling Licensee a commission of \_\_\_\_ % of  
388 the sales price or \$ \_\_\_\_\_. Seller assigns to Listing Agent and Selling Licensee a portion of the sales  
389 proceeds equal to the commission. If the earnest money is retained as liquidated damages, any costs advanced  
390 or committed by Listing Agent or Selling Licensee for Buyer or Seller shall be reimbursed or paid therefrom, and  
391 the balance shall be paid one-half to Seller and one-half to Listing Agent and Selling Licensee according to the  
392 listing agreement and any co-brokerage agreement. In any action by Listing Agent or Selling Licensee to  
393 enforce this Section, the prevailing party is entitled to reasonable attorneys' fees and expenses. Neither Listing  
394 Agent nor Selling Licensee are receiving compensation from more than one party to this transaction unless  
395 disclosed on an attached addendum, in which case Buyer and Seller consent to such compensation. The  
396 Property described in attached Exhibit A, is commercial real estate. Notwithstanding Section 25 above, the pages  
397 containing this Section, the parties' signatures and an attachment describing the Property may be recorded.

398 **27. LISTING AGENT AND SELLING LICENSEE DISCLOSURE.** EXCEPT AS OTHERWISE DISCLOSED IN  
399 WRITING TO BUYER OR SELLER, THE SELLING LICENSEE, LISTING AGENT, AND BROKERS HAVE NOT  
400 MADE ANY REPRESENTATIONS OR WARRANTIES OR CONDUCTED ANY INDEPENDENT INVESTIGATION  
401 CONCERNING THE LEGAL EFFECT OF THIS AGREEMENT, BUYER'S OR SELLER'S FINANCIAL STRENGTH,  
402 BOOKS, RECORDS, REPORTS, STUDIES, OR OPERATING STATEMENTS, OR OTHER MATTERS RELATING  
403 TO THE PROPERTY, INCLUDING WITHOUT LIMITATION, THE PROPERTY'S ZONING, BOUNDARIES, AREA,  
404 COMPLIANCE WITH APPLICABLE LAWS (INCLUDING LAWS REGARDING ACCESSIBILITY FOR DISABLED  
405 PERSONS), OR HAZARDOUS OR TOXIC MATERIALS INCLUDING MOLD OR OTHER ALLERGENS. SELLER  
406 AND BUYER ARE EACH ADVISED TO ENGAGE QUALIFIED EXPERTS TO ASSIST WITH THESE DUE  
407 DILIGENCE AND FEASIBILITY MATTERS, AND ARE FURTHER ADVISED TO SEEK INDEPENDENT LEGAL  
408 AND TAX ADVICE RELATED TO THIS AGREEMENT.

Initials: BUYER: WSD DATE: 2/10/08  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_  
SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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**28. IDENTIFICATION OF THE PARTIES.** The following is the contact information for the parties involved in this Agreement.

**Buyer**

Contact: Washington Street Properties, LLC

Address: \_\_\_\_\_

Business Phone: ( ) \_\_\_\_\_

Mobile Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

**Seller**

Contact: Phyllis Anderson

Address: \_\_\_\_\_

Business Phone: ( ) \_\_\_\_\_

Mobile Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

**Selling Licensee**

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Business Phone: ( ) \_\_\_\_\_

Mobile Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

**Listing Agent**

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Business Phone: ( ) \_\_\_\_\_

Mobile Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

**Courtesy Copy of Notices to Buyer to:**

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Business Phone: ( ) \_\_\_\_\_

Mobile Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

**Courtesy Copy of Notices to Seller to:**

Contact: \_\_\_\_\_

Address: \_\_\_\_\_

Business Phone: ( ) \_\_\_\_\_

Mobile Phone: ( ) \_\_\_\_\_

Fax: ( ) \_\_\_\_\_

Email: \_\_\_\_\_

Initials: BUYER: WSA DATE: 9/12/08

BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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IN WITNESS WHEREOF, the parties have signed this Agreement intending to be bound.

Buyer <u>Washington Street Properties, LLC</u> Printed name and type of entity	Buyer _____ Printed name and type of entity
Buyer <u><i>[Signature]</i></u> Signature and title	Buyer _____ Signature and title
Date signed <u>9/1/08</u>	Date signed _____
Seller <u>Phyllis Anderson</u> Printed name and type of entity	Seller _____ Printed name and type of entity
Seller _____ Signature and title	Seller _____ Signature and title
Date signed _____	Date signed _____

Initials: BUYER: ASB DATE: 9/2/08 SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_

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WMLS Form 24  
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Purchase & Sale Agreement  
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**COMMERCIAL AND INVESTMENT REAL ESTATE  
PURCHASE AND SALE AGREEMENT  
(CONTINUED)**

**EXHIBIT A**  
[Legal Description]

Initials: BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_  
BUYER: \_\_\_\_\_ DATE: \_\_\_\_\_ SELLER: \_\_\_\_\_ DATE: \_\_\_\_\_



ADDENDUM/AMENDMENT TO RESIDENTIAL REAL ESTATE PURCHASE AND SALE AGREEMENT

The following is part of the Purchase and Sale Agreement dated 9/12/08, between Washington Street Properties, LLC and or assigns (Buyer) and Phyllis Anderson (Seller) for the purchase of Velkommen Mobile Park, 2535 70<sup>th</sup> Ave SW, Tumwater, Washington. It is agreed between the seller and buyer as follows:

1. Buyer agrees to pay the entire purchase price of \$1,600,000 as follows:  
\$160,000 cash;  
\$1,440,000, by buyer executing to holder a note secured by deed of trust on said property, payable at the rate of \$9525 per month, or more at purchaser's option, 7% interest, first payment due 30 days after the date of closing. Note to be paid in full 10 years from closing. The Washington state, Thurston County Title standard form note and deed of trust form are acceptable.
2. This offer is contingent and subject to buyers approval of a property inspection report to be obtained by buyer, at buyer's expense.
3. If either Buyer or Seller intends for this transaction to be a part of a Section 1031 like kind exchange, then the other party agrees to cooperate in the completion of the like kind exchange so long as the cooperating party incurs no additional liability in doing so, and so long as any expenses (including attorneys fees and costs) incurred by the cooperating party that are related only to the exchange are paid or reimbursed to the cooperating party at or prior to closing.
4. Seller understands and acknowledges that Jim Nissing, one of the owners of the buyer herein, is licensed as a real estate broker in the State of Washington, and that Alison Nissing, is licensed as a real estate agent, in the State of Washington and are purchasing subject property for buyer's own account and not as the agent for the seller.
4. Seller will grant buyer and easement to the water system or a shared well agreement and the Buyer will pay for it's operation and testing.

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